

**Income Maintenance Advisory Committee  
Department of Health and Family Services  
Division of Health Care Financing  
October 16, 2003  
\*Minutes\***

County Attendees:      **Jackie Bennett**, Racine Co.; **Lynn Brenner**, Calumet Co.; **Sheila Drays**, Dodge Co.; **Joanne Faber**, Washington Co.; **Liz Green**, Dane Co. DHS; **Gloria Guitan**, Milwaukee Co.; **Jane Huebsch**, Marathon Co.; **Ed Kamin**, Co-Chair, Kenosha Co.; **Bob Macaux**, Florence Co.; **Kathi Madsen**, Douglas Co.; **Luann Page**, Waukesha Co.; **Michael Poma**, Milwaukee Co.; **John Rathman**, Outagamie Co.; **Sheryl Siegl**, Winnebago Co.; **Judy Steinbicer**, Rock Co.;

State Attendees:      **Bernadette Connolly**, DHFS/DHCF/BIMA; **Sara Edmonds**, DHFS/DHCF/BHCE; **Brian Fangmeier**, DHFS/DHCF/BIMA; **Theresa Fosbinder**, DHFS/DHCF/BHCE; **John Haine**, DHFS/DHCF/BIMA; **Essie Herron**, DHFS/DHCF/BIMA; **Jim Jones**, DHFS/DHCF/BHCE; **Bob Martin**, DHFS/DHCF/BHCE; **Cheryl McIlquham**, DHFS/DHCF/BHCE; **Mike McKenzie**, DHFS/DHCF/BHCE; **Scott Riedasch**, DHFS/DHCF/BHCE; **Marilyn Rudd**, DHFS/DHCF/BIMA; **Joanne Simpson**, DHFS/DHCF/BIMA; **Susan Wood**, DHFS/DHCF/BIMA, **Rick Zynda**, DHFS/DHCF/BIMA

WSSA Attendee:      Jim Bestul, Marjean Sutherland, Cheryl Bahr, Linda Sweet

**Administrative Items**

1. Secretary Nelson provided testimony about the Food Stamp before the Joint Legislative Audit Committee in early October. A copy of her testimony is attached below.
- Food Stamp Application Processing Training
    - ◆ This training is being offered as a distance learning training. It is of importance due to the reduced reporting requirements for the Food Stamp program and the need to ensure accuracy in processing Food Stamp applications. The training is being conducted in three phases. Phase 1 is near completion
    - ◆ DHFS indicated that only 42% of workers statewide have completed Phase 1. The state had agreed with the IMAC committee that this training would not be mandatory. However, DHFS is concerned about the low participation.
    - ◆ DHFS indicated that a list of the workers who completed Phase 1 was sent to the CARES managers in each agency.
      - Agencies indicated that information about participation should go to supervisors and managers instead.
    - ◆ Agencies indicated that it is difficult for staff to take time out from their day to complete the training. They still would like to have distance learning opportunities, but will need to think about better business practices to make it work well.

- ◆ All agreed that this was the first opportunity for distance learning training, and that the Training and Technical Assistance Subcommittee of IMAC should assess its implementation.
- ◆ DHFS agreed to extend Phase 1 for two additional weeks. DHFS also agreed that information about participation in training would not be sent to the CARES managers.

## 2. Work with Department of Corrections

DHFS is currently working with the Department of Corrections, SSA, and others including mental health advocates to explore options for timely access to MA for inmates with mental illnesses who are being released, particularly if the inmate needs medications. Currently, the DOC provides inmates with a prescription and medications for two weeks. DHFS is currently working with SSA to help fill out disability applications 90 days before the inmate is released, and for the Department of Corrections to fill out the Medicaid mail-in application before the inmate is released. DHFS will help train staff on filling out applications. There are still several policy and process-related questions that need to be addressed. The IMAC agreed to refer this issue to the Program Policy Coordination Subcommittee.

3. The issue of MA files from DDB was also raised. The agencies questioned who should keep the files and where. Agencies do not feel that having the file is necessary because the eligibility worker needs the final decision and does not use all of the information in the file. A long-term solution may be, to have the files scanned and kept electronically. The IMAC agreed to refer this issue to the Workload and Finance Subcommittee.

## **Collaboration with WSSA**

Among the numerous committees that WSSA has working, they currently have two subcommittees that are working on economic support issues. These are the Elderly, Blind, and Disabled Subcommittee and the Workforce Development Subcommittee. . These subcommittees are currently very active. WSSA indicated that they are open to collaboration on issues.

## **BadgerCare Verification Options**

- ◆ The BadgerCare premiums are going up January 1, 2004, from 3% - 5%. DHFS will modify CARES, handbook materials and will issue a memo about this change.
- ◆ In addition, effective January 2004, DHFS must implement new employer verification requirements. Applicants and recipients must now verify access to insurance, and coverage information, with their employers to be in compliance with DHFS policies. By mid-2004, DHFS plans to implement a centralized process for handling verification

forms. From January 2004 until the centralized system is operational, local agencies will be required to comply with the verification procedures. DHFS will communicate the policy and process to local agencies through an operational memo by the end of 2003.

- ◆ It will be the applicant's responsibility to take the verification forms to the employer and mail it either to the local agency or the central processing center once operational. The forms will contain information including, coverage benefits, premiums, and employer costs. These forms will be required at intake, review, and when a participant changes jobs.
- ◆ Agencies identified a few issues to consider with a central processing center. First, for agencies that also administer W-2, there is a concern that about having employer forms going to two different locations. Second, the state should consider coordination with child support.

### **Subcommittee Reports**

#### **■ IM W2 C&I Coordination**

Currently working on 5 major issues.

1. Forms coordination between DWD and DHFS – an administrator's memo is being drafted
2. FSET recommendations
3. General communication questions including what tool to use for what message
4. SafeGuard Monitoring – this issue was referred to the Workload and Finance Subcommittee
5. Program Alignment with Child Care reviews, recommending they be as parallel to MA as possible

There was a discussion about the energy assistance program and the need to also coordinate with DOA on this program. This committee will discuss if this is an appropriate topic for them.

#### **■ Quality Assurance**

Working to develop Performance Standards for Food Stamps and MA. Payment Accuracy recommendations have gone thru IMAC, WSSA, and back to the committee. They are currently talking about improving Quality Control. However, until some larger issues are resolved (funding, caseload, and workload) it doesn't make sense to proceed with any recommendations just yet. Contracts this year will stay as is for 2004. The benefit recovery talks have been turned over to the Fraud Ad-hoc committee.

Suggestions on assignments for 2004 include:

1. The need to distinguish between agency preventable errors vs non-agency preventable errors.

2. Customer Service. The committee could work to define customer service and research issues related to the various hotlines operated by the state. This would include the amount of phone calls going into CitiCorp about the EBT cards, and the costs associated with that, and the Medicaid and Food Stamp recipient hotline
3. The committee could again look at the powerpoint on client reporting.

## **Training and Technical Assistance**

See Charter below.

## **IT**

The IT committee is currently working on 2 main objectives.

1. Web Initiatives
  - a) End user input
  - b) Showing user views to the counties before they become live websites
2. Workload Reduction Initiatives
  - a) Automated case directory
  - b) Notices of implementation
  - c) New Hire and UCB changes
  - d) County workers CARES wishlist
  - e) Software for Electronic case files
  - f) Up to date call center matrix

## **Program and Policy Coordination**

This committee now has a revised charter. See below for a complete list of what it has been working on It has also been give the task of researching ways to obtain and implement a waiver that would help recipients of SSI apply for food stamps..

## **Workload and Financing**

The main focus of this committee in the past few months has been workload reduction, and the Random Moment Time Study. The focus for the next 6 months will be to find short and long-term options to fund IM programs, tying the funding more closely to caseload and workload.

## **Fraud and Overpayments**

See handout below.

## **MA Transportation**

There was not sufficient time to review the activities of this committee. This item was referred to the next meeting.

### **Next meeting**

Next months agenda will include:

- Priorities for each committee
- MA transportation report
- Big picture plans

# Handouts:

October 7, 2003

The Honorable Carol Roessler  
Wisconsin Senate  
Room 130 South, State Capitol  
P.O. Box 7882  
Madison, WI 53707-7882

The Honorable Suzanne Jeskewitz  
Wisconsin Assembly  
Room 314 North, State Capitol  
P.O. Box 8952  
Madison, WI 53708-8952

Dear Senator Roessler and Representative Jeskewitz:

The purpose of this letter is to provide an update on action that the Department of Health and Family Services (DHFS) has taken to improve the Food Stamp (FS) program in Wisconsin as well as the plans and goals for further improvement over the course of the next year.

As you know, the FS program was transferred to DHFS in July 2002. Since that time, there has been significant activity to improve the program. I would like to share with you our goals and priorities for making the FS program an integral part of this Department's mission to lead the nation in fostering healthy and self-reliant individuals and families.

Over the course of the last eight months as Secretary of this Department, I have made Food Stamp program improvement, in terms of both payment accuracy and program access, an agency and personal priority. Specifically, our priorities are as follows:

- ◆ Increase Wisconsin's payment accuracy rate so that no sanction is imposed on Wisconsin.
- ◆ Increase enrollment to expand access to nutritious food and benefit the state economically.
- ◆ Increase automated support to relieve work for eligibility workers so they can concentrate on payment accuracy and customer service.
- ◆ Create new, easier options for customers to apply, report changes, and retain eligibility.
- ◆ Streamline and align Food Stamps and Medicaid policies and processes.
- ◆ Establish new partnerships with public and private organizations to promote the importance of good nutrition and physical activity.

Although we have already made good progress in these priority areas, we have set important goals for the FS program that will expand on the priorities established for our program and direct our resources to the activities that result in further program improvement. Let me tell you about our payment accuracy and program participation goals for this next year.

**Payment Accuracy:** Our goal is to improve payment accuracy to 94 percent to achieve an error rate of 6 percent in federal fiscal year (FFY) 04. This is projected to be at or below the national average error rate. This would take Wisconsin out of sanction status for FFY 04. (Based upon the new error rate sanction provisions in the federal Farm Bill, FNS cannot impose any sanctions on states for FFY 03).

Under federal law, states that have a FS payment error rate that is greater than 105 percent of the national average in two consecutive federal fiscal years are sanctioned by the United States Department of Agriculture (USDA) Food and Nutrition Service. Wisconsin has been sanctioned millions of dollars in past years for our higher-than-average error rate. Therefore, we will strive to achieve the above goal to improve payment accuracy and remove Wisconsin from

sanction status for FFY 04. It is possible with this goal that Wisconsin could receive a performance bonus if we are one of the states with the greatest improvement in our payment accuracy rate in FFY 04.

Our experience, to date, for FFY 03 provides evidence that Wisconsin can be successful in improving its payment accuracy rate. For the first eight months of FFY 03, our payment accuracy rate was 90.4 percent. We estimate that our final error rate for FFY 03 will be 91.8 percent. As a point of reference, Wisconsin's payment accuracy rate for FFY 01 was 86.9 percent and 87.31 percent for FFY 02.

We attribute this progress to several important efforts that have occurred during the program's first year with DHFS. Wisconsin has taken full advantage of the opportunities offered under the federal Farm Bill to simplify the program for both customers and administrative agencies through numerous policy changes. In addition, we have leveraged technology available through the automated eligibility determination system (known as "CARES") to provide workers with more accurate and up-to-date information about applicants/recipients to reduce the potential for error. New training has also been provided to eligibility workers. Funding to several counties to support new "Change Centers" to more accurately manage change reports from customers and reduce workload has also helped to lay the foundation for improved payment accuracy.

To continue progressing toward our goal for FFY 04, DHFS will focus on additional key policy and technology initiatives as high priority matters. One such initiative is the implementation of the reduced change reporting policy for Food Stamp recipients. Under this policy, customers are required to only report income changes that would make them ineligible for the program, rather than having to report all income and household composition changes. We believe this policy change, which was effective July 2003, will have a significant impact on the state's error rate because it directly addresses the most prevalent types of errors from both a consumer and eligibility worker perspective. Second, DHFS continues to upgrade the automated support offered through CARES to free-up worker time to focus on payment accuracy and customer service. We will also provide ongoing training and technical assistance to ensure that all of these changes are implemented correctly.

In addition, we are committing significant staff and reinvestment funding resources in Milwaukee County and our next largest counties that, together, account for over 80 percent of the Food Stamp caseload in Wisconsin. Our goal in working with these agencies is to further engage local management in these issues and provide the programmatic and technological tools they need to improve payment accuracy. In state after state that has reduced their error rate, including big states like New York and California, the single most important factor has been the leadership of both local and state government.

***Program Participation:*** Our goal is to improve program participation to 80 percent of the potential eligible population, which would mean an additional 57,000 people participating in the program. Currently, over 309,000 people are participating in the FS program in Wisconsin.

Over the past five years, the number of people in Wisconsin participating in the FS program has increased significantly. In fact, Wisconsin is a national leader in program participation improvement. A recent report released by the Food Research and Action Center, a national research and public policy center, shows that Food Stamp program participation in Wisconsin increased 64.1 percent between June 1998 and June 2003. This was the fourth highest increase among all states.

Wisconsin strives to make sure that every eligible person has access to the food assistance they need as there are many benefits of increased participation, including:

- ◆ Improving good nutrition among Wisconsin's citizens, which is essential to good health.
- ◆ Additional federal revenues to Wisconsin. At an average benefit of \$167 per month, 1,000 new households would result in over \$2.0 million annually in federal funds to Wisconsin.
- ◆ Economic benefit to communities, as well. The USDA estimates that every \$5 in federal FS spending results in \$9.20 in economic benefit to the community.

I would like to share with you the many activities we have underway to improve our Food Stamp program through increased participation.

First, we have an extensive outreach plan. This plan includes the following:

- ◆ Planning and evaluation to identify the demographics of the target population and to monitor caseload changes.

- ◆ New marketing plans and materials, including consideration of a new name for the program, television and radio advertisements, and mailings to food pantries and other community groups.
- ◆ Improving program access through simplified program rules, a shorter application form and an 800 number for program information.
- ◆ Improving coordination with other programs, such as public health, WIC, SeniorCare and other Medicaid programs, and Nutrition Education projects.
- ◆ Training and technical assistance for community organizations and eligibility workers.

Second, Wisconsin will embark on a special project to enroll additional supplemental security income (SSI) recipients in the Food Stamp program. Wisconsin has nearly 97,000 individuals who receive SSI benefits, but only about one-third of these individuals are currently receiving food stamps. We have received approval from the USDA to work on a package of federal waivers that will:

- ◆ Allow Wisconsin to set a standard food stamp benefit amount for all SSI recipients that will hopefully, be higher than the benefit these participants would receive under our current program; and
- ◆ Make it easier for SSI recipients to apply and stay on the program.

Third, in June 2003, Wisconsin was awarded a \$1.7 million federal grant to create a customer service toolbox – an internet-based method for people to screen themselves for eligibility, apply on-line, check the status of their case and report changes to the eligibility worker. We will partner with two community-based organizations to lead the demonstration projects and coordinate with other local community agencies in the implementation of the customer service toolbox. Further, we will build this to include Medicaid and BadgerCare, as well, to allow better coordination between programs, resulting in improved customer satisfaction, reduced workload for eligibility workers, and an opportunity for enhanced partnerships between the state agency, local agencies and community-based organizations.

I appreciate the opportunity to share our accomplishments, goals and plans for the Wisconsin Food Stamp program. We strive to enhance public confidence in this program through our commitment to payment accuracy and ensuring that the citizens of our state have proper access to the food assistance they need.

Sincerely,

Helene Nelson  
Secretary

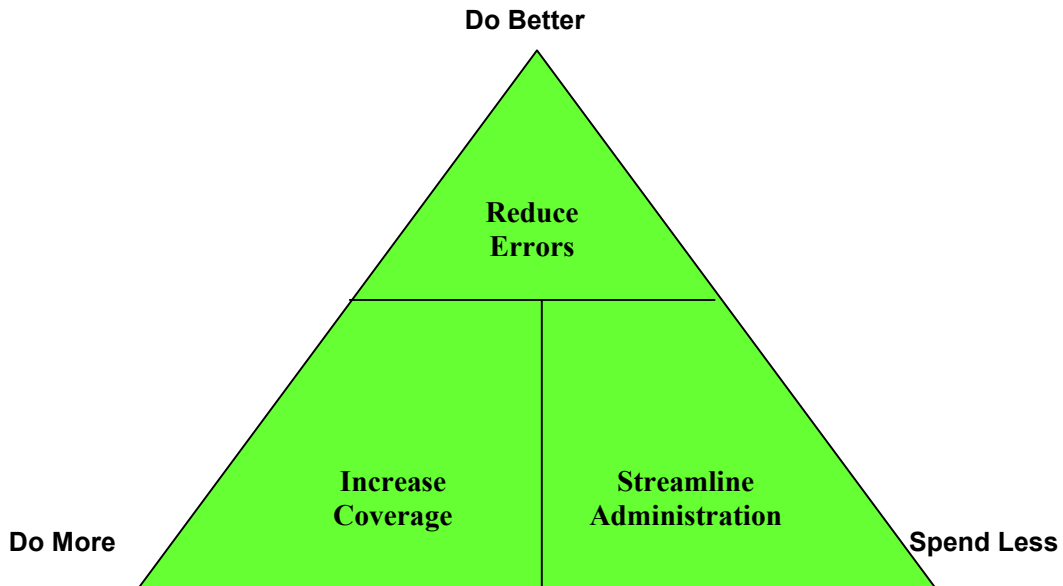
cc: Joint Legislative Audit Committee



**Joint Legislative Audit Committee  
Testimony of Helene Nelson on Wisconsin Food Stamp Program  
State Capitol, Room 412 East  
October 8, 2003  
10 a.m.**

Good Morning. I am Helene Nelson, Secretary of the Department of Health and Family Services. I would like to thank you for the opportunity to testify today about Wisconsin's Food Stamp program. I appreciate your interest and support for our efforts to improve the administration and outcomes of this program.

Our goals for Wisconsin's Food Stamp program:



And I am pleased to report that we are making good progress on all fronts:

- The error rate has dropped by 3% since October 2002;
- Participation has grown by 64% over the past five years; and
- Program rules have been simplified and administrative costs have been reduced.

While it is challenging to work on all three goals at the same time, we are committed to doing so because this makes good business sense and will produce excellent results for Wisconsin.

## 1. ACCURACY

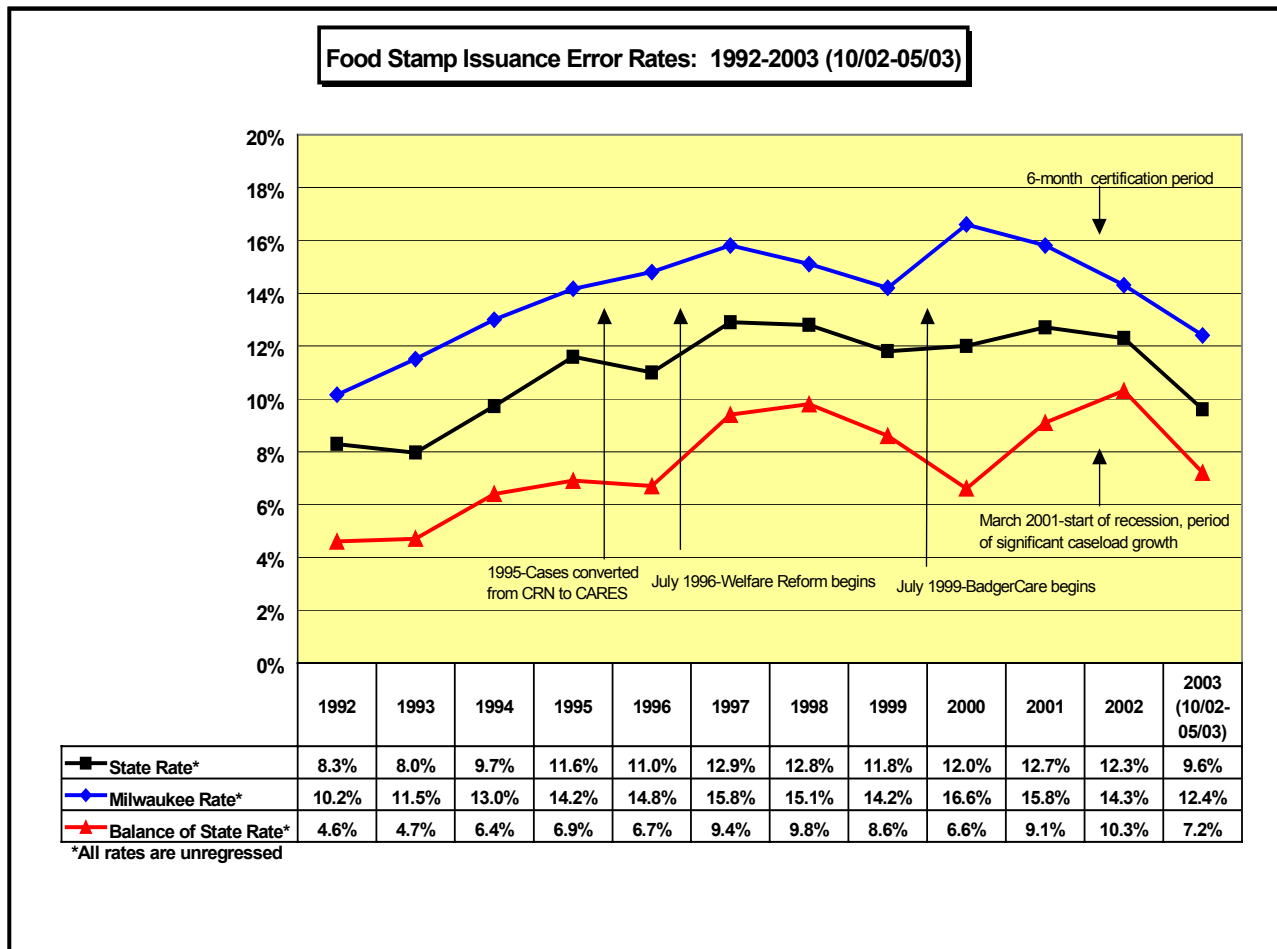
We are improving the accuracy of eligibility decisions to make sure that people get the right amount of benefits.

We do not want to pay sanctions to the federal government for high error rates.

Therefore we are taking aggressive steps to improve program performance and reduce errors.

- Our error rate for Federal Fiscal Year (FFY) 2002 was 12.69%. This is a combined error rate reflecting both over and underpayments. Of the cases reviewed, 3.49% received too little in benefits for the month of review and 9.19% received more in benefits than they should have, based on household income and other circumstances.
- This is a program with very complicated eligibility rules requiring current information from participants about income, household composition and shelter and utility costs.
- For example, if a working mom earns \$30 in overtime pay and forgets to report it, or reports it and the worker forgets to update the case, and the case is selected for quality control review – this case will be counted as part of the state's quality control error rate for the year.
- Errors in budgeting the right amount of earned income are the most frequent errors. Household composition is the second highest error category. About half of the errors in the sample are attributed to the local Income Maintenance (IM) agencies when workers fail to act or misapply policy and about half to households failing to report a change or reporting incorrect information.

The following chart shows Wisconsin's error rate over the past ten years.



- The chart provides the rate for Milwaukee in blue, the balance of state in red and statewide data in black. Error rates by year are shown across the bottom.
- As you can see, Milwaukee has a higher rate than the balance of the state, and this drives the state's error rate since Milwaukee represents almost 50% of the state's caseload. There are unique issues in Milwaukee County due to the mix of public and private agencies in the service delivery system, the large number of cases they manage and the impact of cuts in local funding.
- We are very pleased, however, to see the downward trend in Milwaukee since 2000.
- United States Department of Agriculture (USDA) has issued a sanction to Wisconsin each year since 1995 for an error rate that exceeds federal tolerance levels.
- Each year, the USDA has permitted the state to reinvest the sanction amount in program improvements – and for FFY 02 the USDA permitted the state to hold half of the penalty amount (\$1.7 million) at risk for repayment based on future performance.
- A formal "Reinvestment Plan" for FFY 02 was submitted in late August and is pending USDA approval. This plan earmarks most of the funding to help Milwaukee County maintain its downward trend in errors and to improve program administration.
- Our goal is to improve payment accuracy to 94% to achieve an error rate of 6% in FFY 04, which is projected to be below the national average.
- Current national average is 6.54% for the first eight months of FFY 03.

- The state's error rate for the first eight months of the current year is 9.6%; we project a final error rate for the year of 9.2%. This is a decrease of almost 3% from the FFY 02 rate of 12.69%.

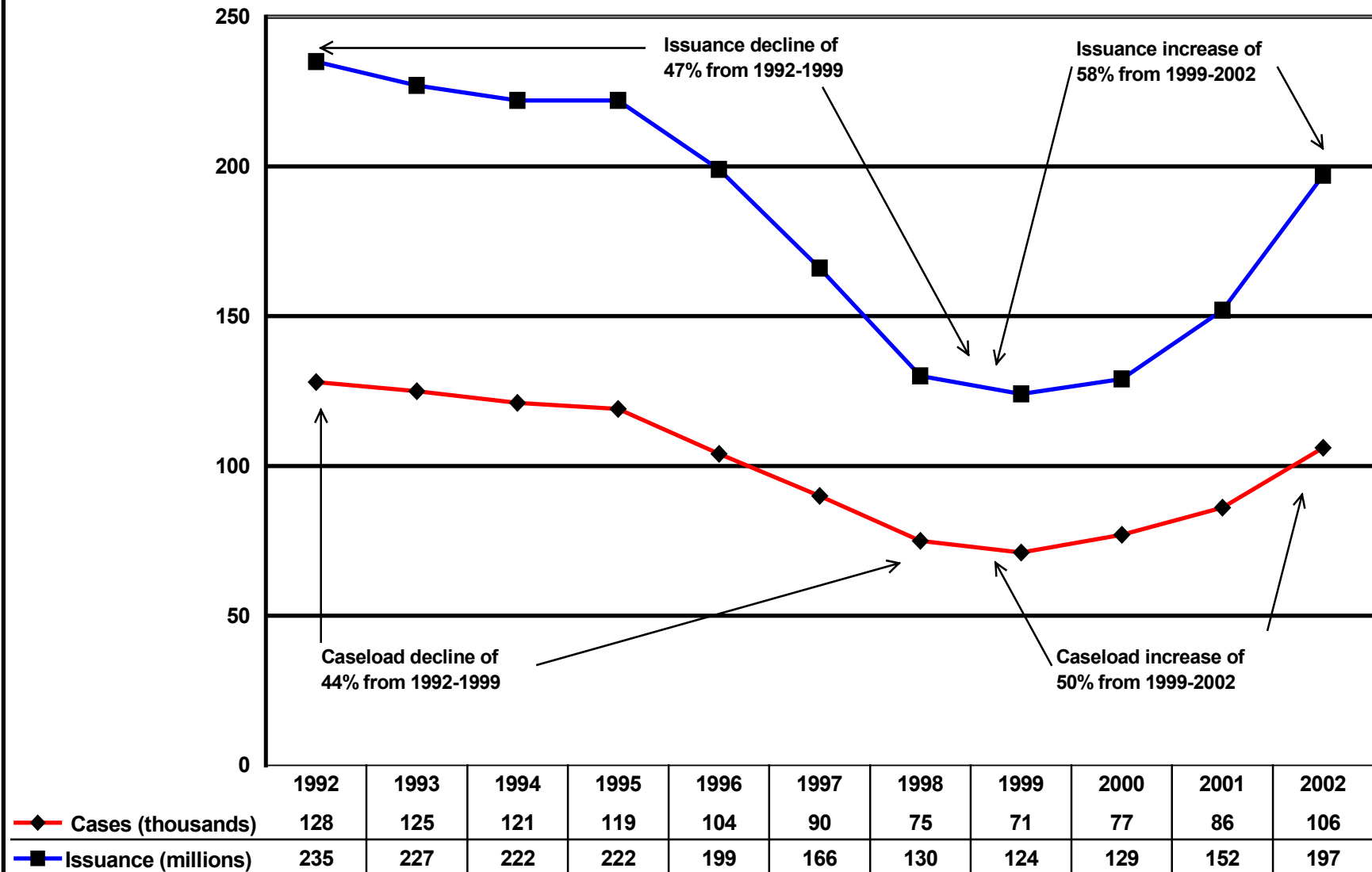
## 2. ACCESS

In 1974, Congress required all states to offer the Food Stamp program as a way to help support the nation's farmers and growers and to help address the nutritional needs of poor families. The benefits are fully funded by the federal government.

We want to increase enrollment to make sure that eligible people get the benefits that they need and are entitled to, so that the low-income families have more resources to spend on food products including those grown and raised in Wisconsin, and also so that Wisconsin gets its fair share of federal revenue.

- For example, only 28% of people on SSI in Wisconsin are receiving Food Stamps. Just as SeniorCare has helped people make ends meet and avoid having to choose between buying medicine and other necessities, Food Stamps can help our elders living on fixed incomes.
- We recently asked a group of elders in Milwaukee about barriers to participating in the program. One person told us that "my pension ... is \$351 a month and \$158 of that goes to health care each month. It's hard because you still want to have enough money to maintain your independence."
- Increasing enrollment also generates economic benefits – the USDA estimates that every \$5 in Food Stamps transacted at local grocery stores generates \$9.20 in economic activity for the community and the state.
- Improving access to nutritious food for poor people will help us in our efforts to improve health status. Healthier people will reduce our costs for health care services and improve the quality of life in Wisconsin.
- We are conducting outreach to increase enrollment. There is now a new shorter application form on our web site along with access to a self-screener to help people decide if they want to file an application. We have a new brochure titled "Food Stamps Make Wisconsin Healthier." We are training staff of community-based agencies such as food pantries about the basics of eligibility and how to apply so that they can help their customers access the Food Stamp program.
- After a significant decrease in participation in the mid to late 1990s, the Food Stamp caseload is just about back to the level that it was in the mid-1990s.
- The following chart shows the changes in benefits issued and caseload over the past ten years. The upper line in blue is the benefits issued in millions of dollars. The lower red line is the cases (in thousands). Participation has grown by 64% over the past five years, a rate that is the fourth highest growth rate in the nation.

# Food Stamp Issuance & Caseload: 1992-2002



- The caseload growth that began in 1999 is due to the availability of the BadgerCare program, which brings low-income families into local agencies, where they also learn about Food Stamps, as well as the economic downturn and specific outreach activities initiated over the past year.
- Our current participation rate (% of eligible people who are enrolled) is estimated to be about the same as the national average – which is reported as 62%.
- Our goal for FFY 04 is to increase participation to 366,000 (another 57,000 people) to achieve a participation rate of 80%.

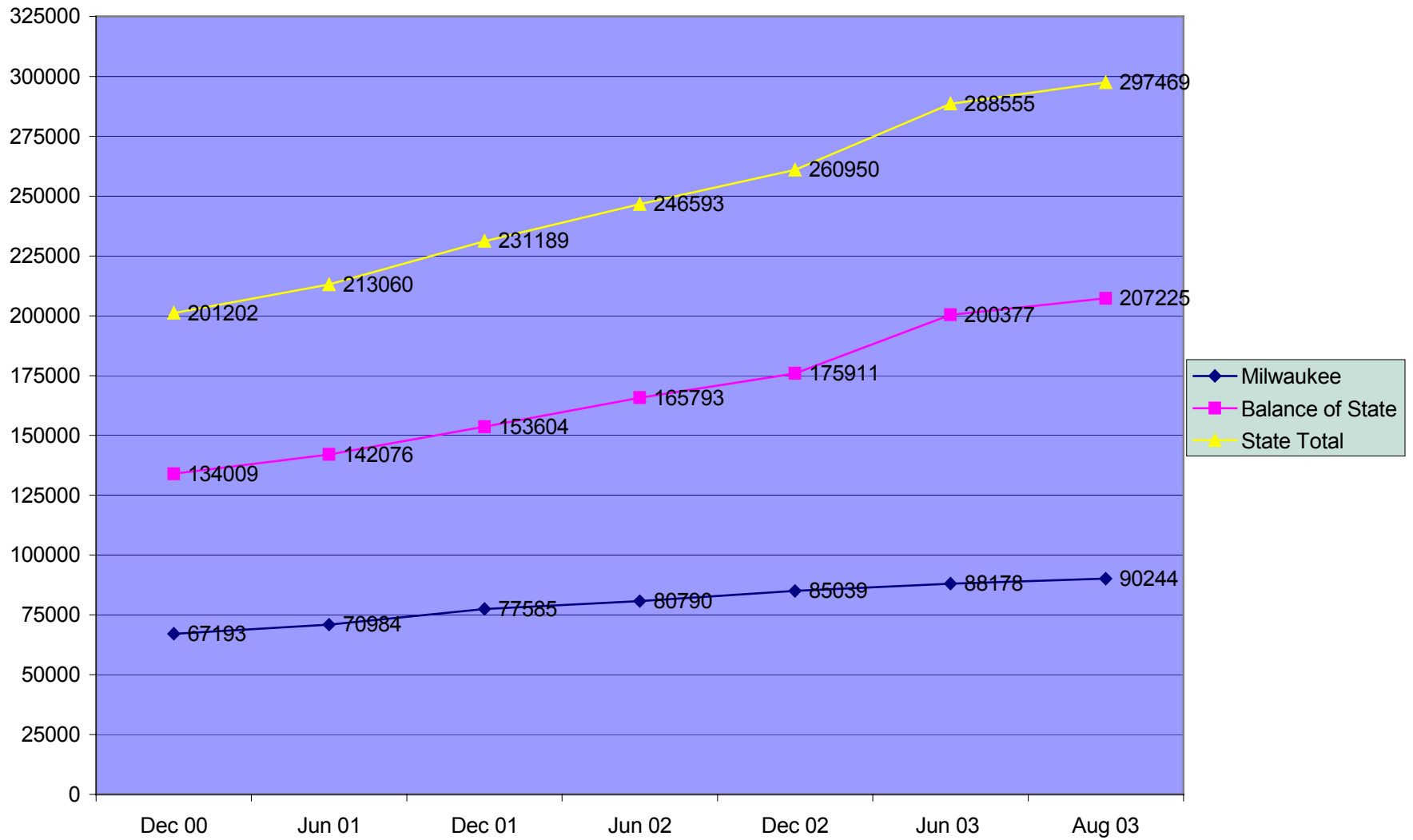
There is more information about people served in the program in our monthly report “Food Stamps At-a-Glance” that is attached.

### **3. ADMINISTRATIVE EFFICIENCY**

We are working on many fronts to reduce the costs of government including policy simplification, coordination with other programs and streamlining the application process to make it easier for customers to navigate, easier for eligibility workers to administer, and less costly to operate.

- For example, we plan to increase the participation of our elders in this program without creating more bureaucracy. A worker at the Social Security Administration interviews people when they apply for SSI. The individual will get Medicaid automatically once the SSI eligibility decision is made, without the need for a separate application. We will request a waiver from USDA to count that in-person interview for Food Stamps too, so that the person does not have to make another trip to the IM agency for another interview in order to get food stamps.
- We are coordinating our efforts with the Medicaid/BadgerCare, W-2 and Child Care programs because they are all operated by the same agencies, using the same computer system. For example, SeniorCare notices now tell people about the Food Stamp program.
- Wisconsin has taken full advantage of new Food Stamp policy options created by Congress in the 2002 Farm Bill to streamline the program.
- Administrative costs per case continue to decline, as local agencies are handling more cases with no increase in funding and DHFS has cut state staff working on the IM programs by 10% over the past year.
- Over the past few years the caseload served by local agencies has grown significantly with no increase in funding for eligibility-related services. This growth in the cases handled by local agencies is shown on the following chart.

**Unduplicated Cases for CC, FS, MA & W2**  
**(MA includes only those Cases that are entered into CARES)**



- The top line in yellow shows that from December 2000 to August 2003, the unduplicated caseload served by local agencies statewide has increased by 48%, from 201,202 to 297,469 cases.
- The caseload in the balance of the state shown in red in the middle has increased by 55%, from 134,009 to 207,225 cases.
- The Milwaukee caseload shown in blue has increased by 34%, from 67,193 to 90,244 cases.
- Funding to the counties and the tribes that administer the IM programs for providing eligibility-related services will be reduced by about 11% for 2004.
- This cut in funding is based on administrative streamlining initiatives that will relieve the work required of eligibility workers – generally changes to the CARES system to automate functions and provide more timely and accurate data to workers.
- As this cut comes at a time of rapidly increasing caseload, DHFS is working with local agencies on both short and long range strategies for funding local services.
- This is a key challenge for us as we strive to reduce errors and reduce costs at the same time the caseload is growing dramatically.

In closing, I would like to reiterate the important role of the Food Stamp Program. It is the largest food assistance program in Wisconsin. It now serves about 5% of our citizens. We intend to increase participation so that poor families have the means to secure nutritious food and to bring more federal revenue to Wisconsin.

We are working on three tracks to improve program performance and we are making good progress on all three. The error rate is headed down, enrollment is up, and we are making many administrative changes to streamline operations.

Thank you again for the opportunity to appear before the Committee.



## IMAC TRAINING AND TECHNICAL ASSISTANCE SUBCOMITTE

### CHARTER

REVISED AUGUST, 2003

This subcommittee was created in 2003 to impact all aspects of training and technical assistance services to local agency and their workforce according to individual needs to achieve better program integrity and customer service.

### WORKPLAN

REVISED AUGUST, 2003

Overall activities - ongoing

1. Identify and quantify training and technical assistance needs.
2. Provide input regarding training and technical assistance development.
3. Evaluate delivery methods and recommend most efficient methods based on agency needs.
4. Evaluate and give recommendations regarding required training. (Hourly requirement vs. course completion and Mandatory vs. non-mandatory).
5. Evaluate training effectiveness and impact of training.

Specific activities – Fall, 2003

- Receive a Pathlore update and demo to have input into that upgrade process
- Assist in developing needs assessments
- Evaluate and make recommendations on training requirements for 2004 (should max hours be reconsidered in light of distance learning; mandatory vs. non mandatory training, etc.)
- Review training methods available so that better recommendations can be made about training delivery methods
- Make recommendations on what training and technical assistance is, and how those providing training and those providing technical assistance can work better together.

Program Coordination Workgroup  
Update for IMAC  
October 16, 2003

**Main focus areas and updates:**

**Administrative items**

We have revised our charter to fit with what we do. We have reviewed our membership for balanced representation from DHFS, local IM agencies, and the advocacy community.

**Reduced Reporting Phase II**

Sara Edmonds updates the subcommittee periodically on the progress of Phase II, which will be implemented on 2/28/04. The subcommittee will review the state's draft of the semi-annual interim report form. A reminder letter to inform families when to expect the interim report form and to save their check stubs will go out prior to the report month. The subcommittee will review the reminder letter also.

**Transitional Food Stamps**

Jayne Wanless updates the group on the progress being made on implementation of Transitional Food Stamps, scheduled to move in March of 2004.. This FS benefit would be available to all families leaving cash payment of W2. CARES will automatically subtract the W2 payment from the food stamp budget and "freezes" the FS allotment for 5 months based on that budget. The subcommittee has recently reviewed proposed notice language for this initiative.

**Roll-up of MA Notices**

Evie Ryan-Tondryk gave a presentation on the project to "roll-up" Medicaid notices at our October meeting. Suggestions were given to Evie as to other advocacy groups that may have some input on these notices and the new design. The subcommittee agreed that these new notices are much improved over the present version. Based on feedback from the subcommittee, DHFS has updated the proposed notice and will send the revised product back the subcommittee for additional input.

**Program Participation Grant**

Wisconsin has been awarded a \$1.7 million grant to improve access to the FS program. The Program Coordination Subcommittee has agreed to serve as the advisory group for this project. The timeline for development and implementation is approximately two years. We will add representatives from WIC, TEFAP, and CWAG for the duration of the initiative. The subcommittee will receive monthly updates from the Project Director, which the State is in the process of recruiting.

**Medicaid Budget Bill items**

Scott Riedasch updates the subcommittee on the actions required or taken to implement the Medicaid-related proposals in the Governor's budget. This group is always willing to review and provide comments on these proposals.

IMAC REPORT  
PROGRAM INTEGRITY/FRAUD PREVENTION AD HOC SUBCOMMITTEE  
OCTOBER 16, 2003

- **Monthly Meetings** – August, September, October
- **August**
  - Reviewed committee charter
  - Glossary of terms – common understanding of program terminology & definitions – initial draft discussed/refined
  - Committee Workplan – based on charter goals/priorities – in development
  - Initial discussion of issues for September agenda
    - Intentional Program Violations (IPV's)/Disqualification Policies – allowed in Food Stamps & W-2 – not in Medicaid
    - CARES Access – government vs contracted Fraud/FEV employees – more discussion at September meeting
    - Child Care Fraud – local agency input on types and extent
- **September**
  - United Council on Welfare Fraud Annual Conference – report on key issues – effects of Food Stamp Farm Bill provisions and Child Care fraud at national level (emphasis of need for national policies/funding and states' emphasis needed to address Child Care) – DWD workgroup developed, seeking federal demonstration project
  - CARES Access – government vs contracted Fraud/FEV employees – security issues – DHFS will research with DWD
  - Medicaid IPV's vs Fraud – clarification of definitions needed – further research by DHFS representative on federal/state laws/regulations
  - Draft DHFS/DWD Administrators Memo on Public Assistance Benefit Recovery of Overpayments, Claims, and Collections discussed - need for statewide performance standards and dedicated staff with an adequate funding source - potential for more Food Stamp claims and the lack of effort in the area of investigation and establishment of MA overpayment claims.
  - Workplan – need to develop local agency Program Integrity/Fraud workflow models
    - Local agency members will submit their agency's workflow for discussion at October meeting
    - Need thorough discussion of administrative funding resources and allocation methodology – October meeting
- **October**
  - Wisconsin Association of Public Assistance Fraud Annual Training Conference – discussion of issues/concerns raised at the October conference – local funding/staffing cutbacks in prevention/fraud due to general IM funding reductions
  - Funding and Allocations 101 – discussion led by DHFS IM Contract specialist on the processes and formulas used to determine availability of funding (program revenue/local agency retention for recovery of overpayments/federal match) to develop local agency allocations and fund state administrative costs – local agency data reporting - impact on RMS in area of Program Integrity/Fraud.
  - Follow-up discussion

- Need to focus on local agency administrative structure(s) and claims establishment to assure availability of adequate program revenue funding to cover local agency costs in 2004
- Educate local agency administrators and boards on the process and impact on retention of recovery of overpayments/federal match as a direct source of local revenue
- DHFS/DWD joint Administrators Memo being developed for this purpose
- Need emphasis on thorough and accurate local agency Program Integrity/Fraud program activity reporting in CARES to document extent and types of activity